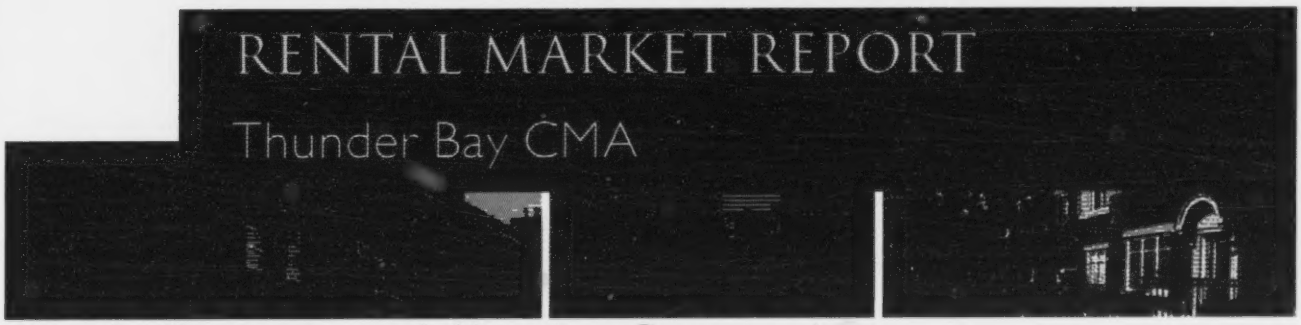
RENTAL MARKET REPORT

Thunder Bay CMA



Canada Mortgage and Housing Corporation

Release Date: Fall 2008

Highlights

- For the second consecutive year, the vacancy rate dipped to 2.2 per cent in October 2008, down from 3.8 per cent last year.
- Overall rents increased 1.4 per cent matching the provincial allowable increase for 2007-08, down from 2.1 per cent in 2007.
- Factors driving demand include the relatively strong employment in the service sector and in-migration from elsewhere in Northwestern Ontario.
- Another decline in the vacancy rate is forecast for 2009, due to limited new supply and an increase in in-migration from the small communities of Northwestern Ontario.

Figure 1

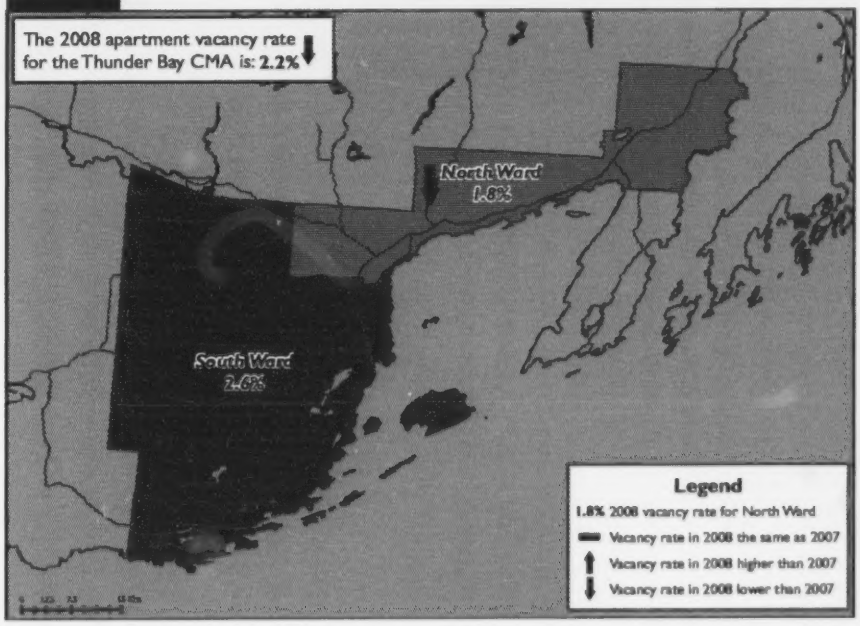

The 2008 apartment vacancy rate for the Thunder Bay CMA is: 2.2%
North Ward
1.8%
South Ward
2.6%
Legend
1.8% 2008 vacancy rate for North Ward
Vacancy rate in 2008 the same as 2007
Vacancy rate in 2008 higher than 2007
Vacancy rate in 2008 lower than 2007

Table of Contents

1 **Highlights**

2 **Vacancy Rate Declines Again**

4 **Thunder Bay's Rental Affordability**

4 **Thunder Bay Vacancies to Decline Again**

5 **National Outlook**

15 **Methodology**

SUBSCRIBE NOW!

Access CMHC's MarketAnalysis Centre publications quickly and conveniently on the Order Desk at **www.cmhc.ca/housingmarketinformation.** View, print, download or subscribe to get market information e-mailed to you on the day it is released. New ! CMHC's electronic suite of national standardized products is now available for **free**.

Canada

CMHC SCHL

HOME TO CANADIANS

Vacancy Rate Declines Again

The vacancy rate for Thunder Bay fell in October 2008 according to CMHC's biannual survey of residential rental structures with at least three units. As happened in 2006-07, the vacancy rate dipped by more than one per cent to 2.2 per cent in October 2008, down from 3.8 per cent in 2007. With the decline, Thunder Bay's vacancy rate now matches the average vacancy rate among centres in Canada with populations over 100,000. There are now 16 major metropolitan centres with vacancy rates above Thunder Bay and 17 with rates below.

The universe size in Thunder Bay shrunk by approximately 100 units between 2007 and 2008. The number of units surveyed dropped to 5,288 units from 5,394, continuing to the drop in the vacancy rate.

Service Sector Offsets Forest Products Weakness

One of the factors that increased demand in the rental market was job gains for younger adults. Employment growth in 2007 and 2008 thus far took place in Thunder Bay's service sector, as the much smaller goods-producing sector moderates mainly due to weakness in the forest products sector.

Part-time employment has been steadily growing since 2006 in Thunder Bay and does account for some of the growth in service sector employment in the city. Certainly growth in part-time employment would impact rental more than homeownership because generally part-time jobs are associated with students or those living together in households of several unattached individuals.

Migration into Thunder Bay Supports Rental Demand

In most years, there are more people moving away from Thunder Bay to other provinces than there are moving in from the surrounding communities. The latest migration data released in late September illustrated the same trend. However, a high proportion of people moving in are attracted by jobs as well as by the services and amenities that Thunder Bay offers. These in-migrants tend to be renters while many of those moving away were homeowners. As a result, the net effect is to add to rental demand. Furthermore, high demand from post-secondary students is also fueling rental demand.

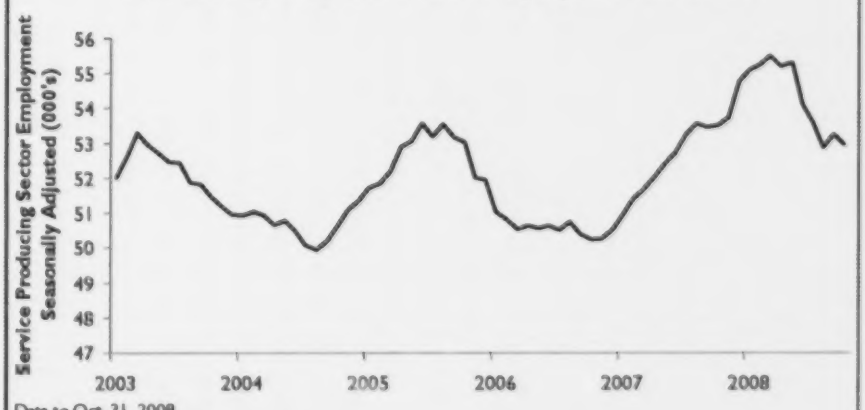
Thunder Bay's aging population suggests less mobility in terms of people moving from one location to another. This is manifesting itself in a lack of resale listings which in turn is putting pressure on the resale market. This year, with listings being in short supply and demand having been strong for at least the first nine months of the year, prices have been bid up greatly. This has discouraged some renters considering homeownership.

Vacancies Down in Both Wards and Key Bedroom Types

North Ward vacancies remain below average while South Ward vacancies dropped significantly. Proximity to the university and the newer rental stock in the North Ward are two key reasons for this area's strong popularity in the Thunder Bay rental market. The vacancy rate in the North Ward fell to 1.8 per cent from 3.1 per cent in 2007 while South Ward vacancies

Figure 2

Thunder Bay's Service Sector Employment Off Peak



Data to Oct. 31, 2008
Source: Statistics Canada Labour Force Survey

fell to 2.6 per cent from 4.6 per cent in 2007. The South Ward vacancy rate has now dropped almost four percentage points in two years. In this tightening vacancy environment, prospective renters are forced to look in all parts of the city for available accommodation.

Looking at vacancies by bedroom type, two-bedroom suites posted a 1.0 percentage point decline in vacancies over 2007. Two bedroom units have long been the preferred unit type in Thunder Bay but with the tightening market and the low vacancy rate in the two bedroom stock, some would-be renters are undoubtedly being forced to consider one bedroom options.

Vacancies fell in the one-bedroom stock dramatically from 5.0 per cent to 2.4 per cent. Thunder Bay's vacant rental stock is mainly found in the one-bedroom stock. The dramatic drop in one bedroom rates indicates how strong the market is at present.

Lowest Vacancies in Newer Buildings

In Thunder Bay, vacancy rates across all age ranges of structures declined for the second year in a row. Newer buildings built after 1990 have the lowest vacancy rate, that of 1.1 per cent, down from 3.6 per cent last year. Older structures completed between 1940 and 1959 have the next lowest vacancy rate at 1.2 per cent while those built between 1960 and 1974 are next with a vacancy rate of 1.3 per cent.

Clearly showing the tightness in the market, structures completed prior to 1940 saw their vacancy rate decrease to 6.6 per cent, down from 13.1 per cent in 2007. Once again the strength of the market is dictating that would-be renters consider rental stock that historically has not been as desirable. The drop in the vacancy rate in structures completed prior to 1940 is a prime illustration of this trend.

Small Building Vacancy Rates Decrease

The vacancy rate in structures containing between 3 and 5 units in Thunder Bay dropped from 8.0 per cent in 2007 to 3.7 per cent in 2008. Structures with between 50 to 99 units and structures with between 20 to 49 units are both experiencing few vacancies. The vacancy rates in these size ranges are equally low sitting at 0.7 per cent. Rents are generally higher in larger projects, which tend to be newer, in Thunder Bay.

Rental units in structures with 3 to 5 units most often owned by individuals have traditionally not been the most highly sought after rental unit. With the rate being cut in half this year dropping 4.3 percentage points to 3.7 points, this is but another indicator of how tight the market is becoming. Limited choice is causing would-be renters to consider units that have traditionally been less desirable.

Rents Rise Matching Provincial Allowable Increase

The continued decline in vacancy rates gave rise to further rent increases in all bedroom types in 2008, although not as pronounced as 2007. Using the fixed sample approach now employed by CMHC, two bedroom rents rose 1.3 per cent while one bedroom rents rose 1.2 per cent. For all bedroom types, rents were up 1.4 per cent and below the CPI increase of 2.6 per cent.

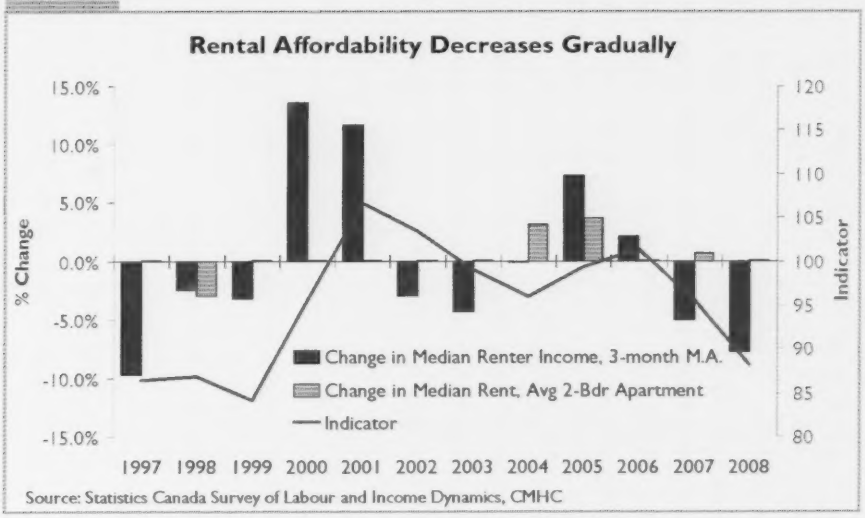
Only three metropolitan areas of 15 in Ontario (Oshawa, London and Kitchener) had matched sample two bedroom rent increases less than Thunder Bay's in 2008. The fixed sample approach, which CMHC introduced in 2006, is strictly based on structures that were common to the survey sample for both the 2007 and 2008 surveys. The methodology section at the end of this report provides more detailed information on this measure. The fixed sample increase is equal to the 1.4 per cent legislated allowable rent increase for 2008.

In 2008, High Rent Units in Demand

In Thunder Bay, a flight to quality units with higher rents has been occurring. Vacancy rates in Thunder Bay are higher in structures with lower rents and lower in structures with higher rents. The vacancy rate in structures with rents over $800 is 0.0 per cent, down markedly from 2.1 per cent last year while in projects with rents between $600 and $700, the vacancy rate is 1.9 per cent in Thunder Bay, down strongly from 3.7 per cent last year.

Newer structures command higher rents. For instance, rents in structures completed after 1990 average $843 for a two-bedroom apartment. The average two bedroom rent is the lowest of any of the metropolitan areas in Ontario so the high end of market is still relatively affordable in this context. It stands to reason that the high end of market unit is a better kept unit with better amenities and maintenance record than their lower priced counterparts.

Figure 3



Source: Statistics Canada Survey of Labour and Income Dynamics, CMHC

Availability Rates Follow Vacancy Rates Downward

The availability rate is a slightly broader measure of what landlords have available to market to prospective tenants. The availability rate refers to the percentage of apartments that are either vacant or for which the existing tenant has given or received notice to move. Once again, availability rates moved in the same direction as the vacancy rate in Thunder Bay. Thunder Bay's availability rate fell to 2.7 per cent from 4.4 per cent in 2007. Only two of the 15 metropolitan areas in Ontario had availability rates lower than Thunder Bay, namely Greater Sudbury (1.6 per cent and Kingston (2.6 per cent).

Thunder Bay's Rental Affordability Indicator

According to CMHC's new rental affordability indicator[1], modest rent increases in Thunder Bay and weak median income of renter households worsened rental affordability. Median renter income decreases since 2006 coupled with modest median rent gains have caused the rental affordability indicator to decline to 88 in 2008, the lowest level since 1999.

Thunder Bay Vacancies to Decline Again

Thunder Bay's vacancy rate will fall to 1.6 per cent in 2009. Several factors will contribute to lower vacancy rate in Thunder Bay. Similarly to 2008, despite difficult conditions in the forest products industry and services related specifically to this sector, the broader service sector, has shown remarkable resilience. Since a good percentage of service sector workers are renters, this benefits the rental market. Secondly, continued solid post-secondary enrolment levels will keep demand from the student market strong. Thirdly, people migrating into Thunder Bay from the surrounding hinterlands will benefit the rental market. Finally, few new units will be added to the rental stock as has typically been the case in the last ten to fifteen years.

Thunder Bay's average rents will increase 1.8 per cent in 2009 to again match the maximum allowable increase set by the province of 1.8 per cent.

Figure 4

(f) CMHC Forecast
Source: CMHC Rental Market Survey

[1] See the Methodology section at the end of this report.

National Vacancy Rate Decreased in October 2008

The average rental apartment vacancy rate in Canada's 34 major centres[1] decreased to 2.2 per cent in October 2008 from 2.6 per cent in October 2007. The centres with the highest vacancy rates in 2008 were Windsor (14.6 per cent), St. Catharines-Niagara (4.3 per cent), and Oshawa (4.2 per cent). On the other hand, the major urban centres with the lowest vacancy rates were Kelowna (0.3 per cent), Victoria (0.5 per cent), Vancouver (0.5 per cent), and Regina (0.5 per cent).

Demand for rental housing in Canada increased due to high migration levels, youth employment growth, and the large gap between the cost of homeownership and renting. Rental construction and competition from the condominium market were not enough to offset growing rental demand.

The highest average monthly rents for two-bedroom apartments in new and existing structures were in Calgary ($1,148), Vancouver ($1,123), Toronto ($1,095), and Edmonton ($1,034), followed by Ottawa ($995), Kelowna ($967), and Victoria ($965). The lowest average monthly rents for two-bedroom apartments in new and existing structures were in Trois-Rivières ($505), Saguenay ($518), and Sherbrooke ($543).

Year-over-year comparison of rents in new and existing structures can be slightly misleading because rents in newly-built structures tend to be higher than in existing buildings. However, by excluding new structures, we can get a better indication of actual rent increases paid by most tenants.

The average rent for two-bedroom apartments in existing structures increased in all major centres. The largest rent increases in existing structures were recorded in Saskatoon (20.3 per cent), Regina (13.5 per cent), Edmonton (9.2 per cent), and Kelowna (8.4 per cent). Overall, the average rent for two-bedroom apartments in existing structures across Canada's 34 major centres increased by 2.9 per cent between October 2007 and October 2008.

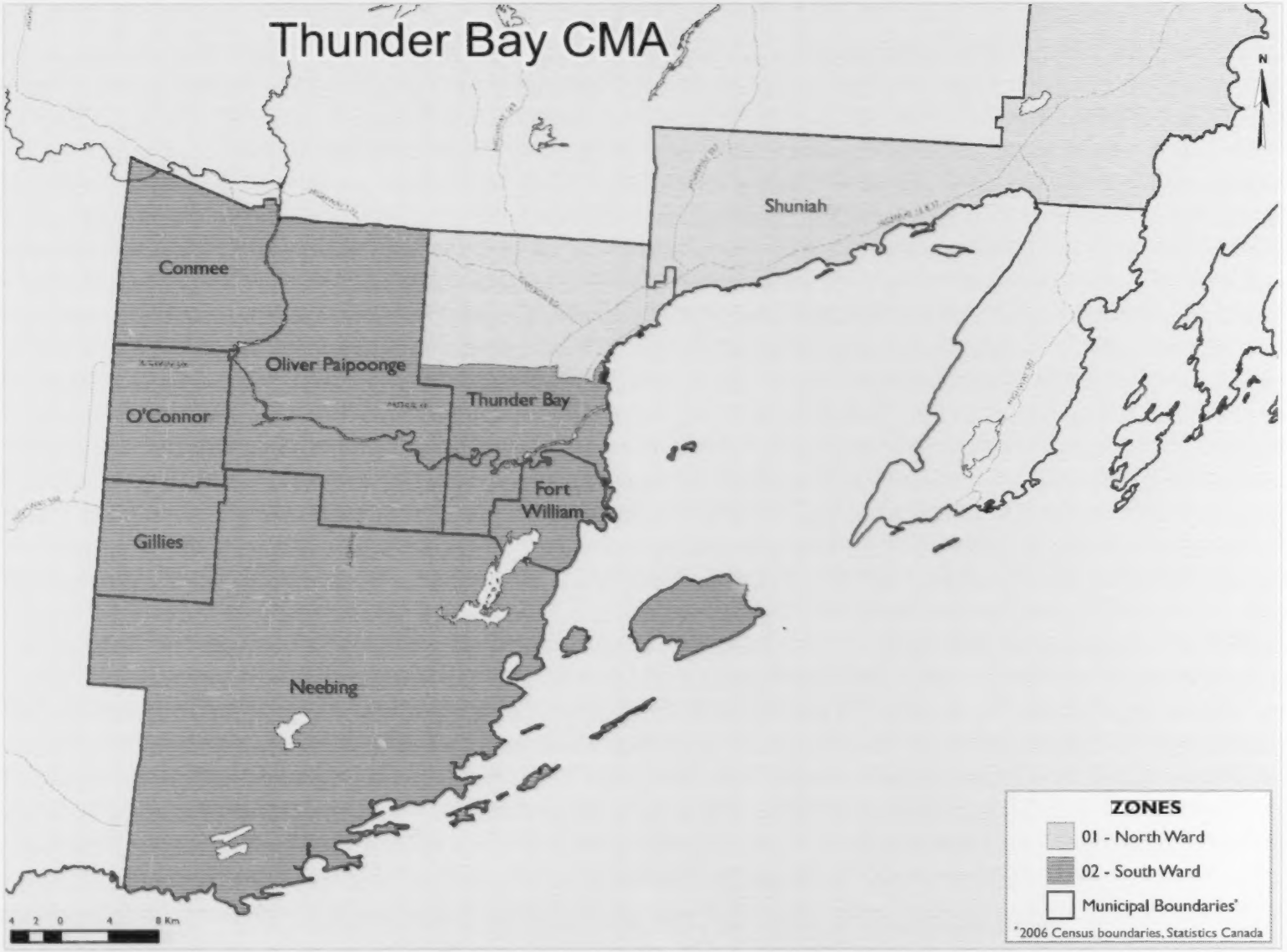
CMHC's October 2008 Rental Market Survey also covers condominium apartments offered for rent in Calgary, Edmonton, Montréal, Ottawa, Québec, Regina, Saskatoon, Toronto, Vancouver, and Victoria. In 2008, vacancy rates for rental condominium apartments were below one per cent in four of the 10 centres surveyed. Rental condominium vacancy rates were the lowest in Regina, Toronto, Ottawa, and Vancouver. However, Calgary and Edmonton registered the highest vacancy rates for condominium apartments at 4.0 per cent and 3.4 per cent in 2008, respectively.

The survey showed that vacancy rates for rental condominium apartments in 2008 were lower than vacancy rates in the conventional rental market in Ottawa, Regina, Saskatoon, and Toronto. The highest average monthly rents for two-bedroom condominium apartments were in Toronto ($1,625), Vancouver ($1,507), and Calgary ($1,293). All surveyed centres posted average monthly rents for two-bedroom condominium apartments that were higher than average monthly rents for two-bedroom private apartments in the conventional rental market in 2008.

Apartment Vacancy Rates (%) by Major Centres

	Oct-07	Oct-08
Abbotsford	2.1	2.6
Barrie	3.2	3.5
Brantford	2.9	2.4
Calgary	1.5	2.1
Edmonton	1.5	2.4
Gatineau	2.9	1.9
Greater Sudbury	0.6	0.7
Guelph	1.9	2.3
Halifax	3.1	3.4
Hamilton	3.5	3.2
Kelowna	0.0	0.3
Kingston	3.2	1.3
Kitchener	2.7	1.8
London	3.6	3.9
Moncton	4.3	2.4
Montréal	2.9	2.4
Oshawa	3.7	4.2
Ottawa	2.3	1.4
Peterborough	2.8	2.4
Québec	1.2	0.6
Regina	1.7	0.5
Saguenay	2.8	1.6
Saint John	5.2	3.1
Saskatoon	0.6	1.9
Sherbrooke	2.4	2.8
St. Catharines-Niagara	4.0	4.3
St. John's	2.6	0.8
Thunder Bay	3.8	2.2
Toronto	3.2	2.0
Trois-Rivières	1.5	1.7
Vancouver	0.7	0.5
Victoria	0.5	0.5
Windsor	12.8	14.6
Winnipeg	1.5	1.0
Total	**2.6**	**2.2**

[1] Major centres are based on Statistics Canada Census Metropolitan Areas (CMAs) with the exception of the Ottawa-Gatineau CMA which is treated as two centres for Rental Market Survey purposes.


Thunder Bay CMA
Shuniah
Conmee
Oliver Paipoonge
Thunder Bay
O'Connor
Fort William
Gillies
Neebing
N
4 2 0 4 8 Km
ZONES
01 - North Ward
02 - South Ward
Municipal Boundaries*
*2006 Census boundaries, Statistics Canada

RMS ZONE DESCRIPTIONS - THUNDER BAY CMA	
Zone 1	**North Ward:** Thunder Bay Census Metropolitan Area north of a line running roughly along 10th and 11th Avenues to Edward Street; then east of Edward Street to Oliver Road; then north of Oliver Road to the CMA's western boundary.
Zone 2	**South Ward:** Thunder Bay Census Metropolitan Area south of a line running roughly along 10th and 11th Avenues to Edward Street; then west of Edward Street to Oliver Road; then south of Oliver Road to the CMA's western boundary.
Zones 1-2	**Thunder Bay CMA**

RENTAL MARKET REPORT TABLES

Available in ALL Rental Market Reports

Private Apartment Data:

1.1.1 Vacancy Rates (%) by Zone and Bedroom Type
1.1.2 Average Rents ($) by Zone and Bedroom Type
1.1.3 Number of Units - Vacant and Universe by Zone and Bedroom Type
1.1.4 Availability Rates (%) by Zone and Bedroom Type
1.1.5 Estimate of Percentage Change (%) of Average Rent
1.2.1 Vacancy Rates (%) by Year of Construction and Bedroom Type
1.2.2 Average Rents ($) by Year of Construction and Bedroom Type
1.3.1 Vacancy Rates (%) by Structure Size and Bedroom Type
1.3.2 Average Rents ($) by Structure Size and Bedroom Type
1.4 Vacancy Rates (%) by Rent Range and Bedroom Type

Available in SELECTED Rental Market Reports

Private Apartment Data:

1.3.3 Vacancy Rates (%) by structure Size and Zone

Private Row (Townhouse) Data:

2.1.1 Vacancy Rates (%) by Zone and Bedroom Type
2.1.2 Average Rents ($) by Zone and Bedroom Type
2.1.3 Number of Units - Vacant and Universe by Zone and Bedroom Type
2.1.4 Availability Rates (%) by Zone and Bedroom Type
2.1.5 Estimate of Percentage Change (%) of Average Rent

Private Apartment and Row (Townhouse) Data:

3.1.1 Vacancy Rates (%) by Zone and Bedroom Type
3.1.2 Average Rents ($) by Zone and Bedroom Type
3.1.3 Number of Units - Vacant and Universe by Zone and Bedroom Type
3.1.4 Availability Rates (%) by Zone and Bedroom Type
3.1.5 Estimate of Percentage Change (%) of Average Rent

Available in the Quebec, Montreal, Ottawa, Toronto, Regina, Saskatoon, Edmonton, Calgary, Vancouver and Victoria Reports

Rental Condominium Apartment Data *

4.1.1 Rental Condominium Apartments and Private Apartments in the RMS - Vacancy Rates (%)
4.1.2 Rental Condominium Apartments and Private Apartments in the RMS - Average Rents ($)
4.1.3 Rental Condominium Apartments - Average Rents ($)
4.2.1 Rental Condominium Apartments and Private Apartments in the RMS - Vacancy Rates (%) by Building Size
4.3.1 Condominium Universe, Rental Units, Percentage of Units in Rental and Vacancy Rate
4.3.2 Condominium Universe, Rental Units, Percentage of Units in Rental and Vacancy Rate by Building Size

Available in the Montreal, Toronto, Vancouver, St. John's, Halifax, Quebec, Barrie, Ottawa, Regina, Saskatoon, Calgary, Edmonton, Abbotsford, Kelowna and Victoria Reports

Secondary Rented Unit Data

5.1 Secondary Rented Unit Average Rents ($) by Dwelling Type
5.2 Estimated Number of Households in Secondary Rented Units and Estimated Percentage of Households in Secondary Rented Units by Dwelling Type

1.1.1 Private Apartment Vacancy Rates (%) by Zone and Bedroom Type Thunder Bay CMA

Zone	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Oct-07	Oct-08	Oct-07	Oct-08	Oct-07	Oct-08	Oct-07	Oct-08	Oct-07	Oct-08
Zone 1 - North Ward	**	1.8 c	4.4 b	1.9 b	2.1 a	1.6 a	3.8 d	2.1 c	3.1 b	1.8 a
Zone 2 - South Ward	**	**	5.5 c	3.0 a	3.2 c	1.6 a	**	0.0 c	4.6 b	2.6 a
Thunder Bay CMA	**	**	5.0 b	2.4 a	2.6 a	1.6 a	3.4 d	**	3.8 b	2.2 a

The following letter codes are used to indicate the reliability of the estimates:
a – Excellent, b – Very good, c – Good, d – Fair (Use with Caution)
** Data suppressed to protect confidentiality or data is not statistically reliable
n/u: No units exist in universe for this category **n/s:** No units exist in the sample for this category **n/a:** Not applicable
Please click **Methodology** or **Data Reliability Tables Appendix** links for more details

1.1.2 Private Apartment Average Rents ($) by Zone and Bedroom Type Thunder Bay CMA

Zone	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Oct-07	Oct-08	Oct-07	Oct-08	Oct-07	Oct-08	Oct-07	Oct-08	Oct-07	Oct-08
Zone 1 - North Ward	456 a	471 a	614 a	619 a	747 a	748 a	900 a	869 a	689 a	695 a
Zone 2 - South Ward	449 b	463 a	552 a	559 a	666 a	684 a	792 b	753 b	612 a	620 a
Thunder Bay CMA	**452 a**	**467 a**	**584 a**	**589 a**	**709 a**	**719 a**	**860 a**	**836 a**	**652 a**	**659 a**

The following letter codes are used to indicate the reliability of the estimates (cv = coefficient of variation):
a – Excellent ($0 \leq cv \leq 2.5$), b – Very good ($2.5 < cv \leq 5$), c – Good ($5 < cv \leq 7.5$)
d – Fair (Use with Caution) ($7.5 < cv \leq 10$)
** Data suppressed to protect confidentiality or data is not statistically reliable
n/u: No units exist in universe for this category **n/s:** No units exist in the sample for this category **n/a:** Not applicable
Please click **Methodology** or **Data Reliability Tables Appendix** links for more details

1.1.3 Number of Private Apartment Units Vacant and Universe in October 2008 by Zone and Bedroom Type Thunder Bay CMA

Zone	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Vacant	Total	Vacant	Total	Vacant	Total	Vacant	Total	Vacant	Total
Zone 1 - North Ward	2 c	109	20 b	1,028	25 a	1,530	2 c	100	49 a	2,768
Zone 2 - South Ward	**	153	31 a	1,046	20 a	1,286	0 c	36	65 a	2,520
Thunder Bay CMA	**	262	51 a	2,074	45 a	2,816	**	137	114 a	5,288

The following letter codes are used to indicate the reliability of the estimates:
a – Excellent, b – Very good, c – Good, d – Fair (Use with Caution)
** Data suppressed to protect confidentiality or data is not statistically reliable
n/u: No units exist in universe for this category **n/s:** No units exist in the sample for this category **n/a:** Not applicable
Please click **Methodology** or **Data Reliability Tables Appendix** links for more details

1.1.4 Private Apartment Availability Rates (%) by Zone and Bedroom Type Thunder Bay CMA

Zone	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Oct-07	Oct-08	Oct-07	Oct-08	Oct-07	Oct-08	Oct-07	Oct-08	Oct-07	Oct-08
Zone 1 - North Ward	**	1.8 c	4.5 b	2.6 a	2.6 a	2.1 a	5.2 d	2.1 c	3.4 b	2.3 a
Zone 2 - South Ward	**	**	6.0 b	3.7 b	4.2 b	1.9 a	**	**	5.3 b	3.3 a
Thunder Bay CMA	**	7.5 c	5.3 b	3.2 a	3.3 b	2.0 a	4.3 d	2.6 c	4.4 a	2.7 a

The following letter codes are used to indicate the reliability of the estimates:
a – Excellent, b – Very good, c – Good, d – Fair (Use with Caution)
** Data suppressed to protect confidentiality or data is not statistically reliable
n/u: No units exist in universe for this category **n/s:** No units exist in the sample for this category **n/a:** Not applicable
Please click **Methodology** or **Data Reliability Tables Appendix** links for more details

1.1.5 Private Apartment Estimate of Percentage Change (%) of Average Rent [1] by Bedroom Type
Thunder Bay CMA

Centre	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Oct-06 to Oct-07	Oct-07 to Oct-08	Oct-06 to Oct-07	Oct-07 to Oct-08	Oct-06 to Oct-07	Oct-07 to Oct-08	Oct-06 to Oct-07	Oct-07 to Oct-08	Oct-06 to Oct-07	Oct-07 to Oct-08
Zone 1 - North Ward	**	4.5 d	1.7 c	++	1.5 c	1.0 a	**	**	1.5 a	1.1 a
Zone 2 - South Ward	++	**	2.6 c	1.9 c	3.1 b	1.7 c	**	**	2.8 c	1.7 b
Thunder Bay CMA	++	4.7 d	2.1 c	1.2 a	2.2 a	1.3 a	2.0 b	++	2.1 b	1.4 a

[1]The Estimate of Percentage Change is a measure of the market movement, and is based on those structures that were common to the survey for both years.

The following letter codes are used to indicate the reliability of the estimates:
a – Excellent, b – Very good, c – Good, d – Fair (Use with Caution)
** Data suppressed to protect confidentiality or data is not statistically reliable
++ change in rent is not statistically significant. This means that the change in rent is not statistically different than zero (0)
n/u: No units exist in universe for this category **n/s:** No units exist in the sample for this category **n/a:** Not applicable

Please click **Methodology** or **Data Reliability Tables Appendix** links for more details

1.2.1 Private Apartment Vacancy Rates (%) by Year of Construction and Bedroom Type
Thunder Bay CMA

Year of Construction	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Oct-07	Oct-08	Oct-07	Oct-08	Oct-07	Oct-08	Oct-07	Oct-08	Oct-07	Oct-08
Thunder Bay CMA										
Pre 1940	**	**	**	5.3 c	**	6.5 c	0.0 d	0.0 d	13.1 d	6.6 b
1940 - 1959	**	2.9 c	**	0.5 b	**	0.9 d	**	**	4.3 d	1.2 a
1960 - 1974	**	**	1.8 b	2.3 a	1.3 a	0.2 a	**	**	1.6 a	1.3 a
1975 - 1989	**	0.0 d	2.6 b	1.6 b	2.9 b	2.0 a	**	**	2.9 a	1.9 a
1990+	**	**	14.0 a	**	0.0 c	**	4.2 d	0.0 d	3.6 d	1.1 d
Total	**	**	5.0 b	2.4 a	2.6 a	1.6 a	3.4 d	**	3.8 b	2.2 a

The following letter codes are used to indicate the reliability of the estimates:
a – Excellent, b – Very good, c – Good, d – Fair (Use with Caution)
** Data suppressed to protect confidentiality or data is not statistically reliable
n/u: No units exist in universe for this category **n/s:** No units exist in the sample for this category **n/a:** Not applicable

Please click **Methodology** or **Data Reliability Tables Appendix** links for more details

1.2.2 Private Apartment Average Rents ($)
by Year of Construction and Bedroom Type
Thunder Bay CMA

Year of Construction	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Oct-07	Oct-08	Oct-07	Oct-08	Oct-07	Oct-08	Oct-07	Oct-08	Oct-07	Oct-08
Thunder Bay CMA										
Pre 1940	401 a	419 a	498 a	506 a	566 a	588 a	649 c	714 a	507 a	519 a
1940 - 1959	426 a	444 a	511 a	523 a	615 a	642 a	**	**	538 a	561 a
1960 - 1974	528 a	526 b	611 a	617 a	709 a	724 a	844 b	827 a	662 a	673 a
1975 - 1989	405 c	536 b	635 a	634 a	725 a	730 a	984 a	969 a	698 a	700 a
1990+	**	**	634 b	666 b	854 c	843 b	868 a	839 a	817 b	819 b
Total	452 a	467 a	584 a	589 a	709 a	719 a	860 a	836 a	652 a	659 a

The following letter codes are used to indicate the reliability of the estimates (cv = coefficient of variation):
a – Excellent ($0 \leq cv \leq 2.5$), b – Very good ($2.5 < cv \leq 5$), c – Good ($5 < cv \leq 7.5$)
d – Fair (Use with Caution) ($7.5 < cv \leq 10$)
** Data suppressed to protect confidentiality or data is not statistically reliable
n/u: No units exist in universe for this category **n/s:** No units exist in the sample for this category **n/a:** Not applicable
Please click **Methodology** or **Data Reliability Tables Appendix** links for more details

1.3.1 Private Apartment Vacancy Rates (%)
by Structure Size and Bedroom Type
Thunder Bay CMA

Size	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Oct-07	Oct-08	Oct-07	Oct-08	Oct-07	Oct-08	Oct-07	Oct-08	Oct-07	Oct-08
Thunder Bay CMA										
3 to 5 Units	**	**	**	4.2 d	4.2 d	3.2 d	**	0.0 d	8.0 c	3.7 c
6 to 19 Units	**	10.9 d	6.4 c	2.9 a	4.5 c	2.1 a	**	4.1 a	5.4 b	3.0 b
20 to 49 Units	**	1.1 d	1.4 a	1.5 a	0.8 a	0.1 a	0.0 a	0.0 a	1.3 a	0.7 a
50 to 99 Units	0.0 a	0.0 a	0.5 b	0.0 a	0.5 a	1.1 a	**	**	0.5 a	0.7 a
100+ Units	n/u	n/u	**	**	**	**	**	**	**	**
Total	**	**	5.0 b	2.4 a	2.6 a	1.6 a	3.4 d	**	3.8 b	2.2 a

The following letter codes are used to indicate the reliability of the estimates:
a – Excellent, b – Very good, c – Good, d – Fair (Use with Caution)
** Data suppressed to protect confidentiality or data is not statistically reliable
n/u: No units exist in universe for this category **n/s:** No units exist in the sample for this category **n/a:** Not applicable
Please click **Methodology** or **Data Reliability Tables Appendix** links for more details

1.3.2 Private Apartment Average Rents ($) by Structure Size and Bedroom Type Thunder Bay CMA

Size	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Oct-07	Oct-08	Oct-07	Oct-08	Oct-07	Oct-08	Oct-07	Oct-08	Oct-07	Oct-08
Thunder Bay CMA										
3 to 5 Units	391 b	405 b	494 a	505 a	601 a	639 a	852 a	802 b	566 a	575 a
6 to 19 Units	434 a	456 a	559 a	562 a	655 a	664 a	824 b	828 a	608 a	618 a
20 to 49 Units	502 b	505 b	608 a	608 a	749 a	746 a	**	**	679 a	679 a
50 to 99 Units	491 a	**	682 a	684 a	790 a	793 a	**	**	753 a	757 a
100+ Units	n/u	n/u	**	**	**	**	**	**	**	**
Total	452 a	467 a	584 a	589 a	709 a	719 a	860 a	836 a	652 a	659 a

The following letter codes are used to indicate the reliability of the estimates (cv = coefficient of variation):
a – Excellent ($0 \leq cv \leq 2.5$), b – Very good ($2.5 < cv \leq 5$), c – Good ($5 < cv \leq 7.5$)
d – Fair (Use with Caution) ($7.5 < cv \leq 10$)
** Data suppressed to protect confidentiality or data is not statistically reliable
n/u: No units exist in universe for this category **n/s:** No units exist in the sample for this category **n/a:** Not applicable
Please click **Methodology** or **Data Reliability Tables Appendix** links for more details

1.3.3 Private Apartment Vacancy Rates (%) by Structure Size and Zone Thunder Bay CMA

Zone	3-5		6-19		20-49		50-99		100+	
	Oct-07	Oct-08	Oct-07	Oct-08	Oct-07	Oct-08	Oct-07	Oct-08	Oct-07	Oct-08
Zone 1 - North Ward	**	4.0 d	3.4 c	2.4 a	1.1 a	0.1 a	0.5 a	0.8 a	**	**
Zone 2 - South Ward	6.0 d	3.5 c	6.5 c	3.3 b	1.6 c	1.3 a	**	**	n/u	n/u
Thunder Bay CMA	**8.0 c**	**3.7 c**	**5.4 b**	**3.0 b**	**1.3 a**	**0.7 a**	**0.5 a**	**0.7 a**	**	**

The following letter codes are used to indicate the reliability of the estimates:
a – Excellent, b – Very good, c – Good, d – Fair (Use with Caution)
** Data suppressed to protect confidentiality or data is not statistically reliable
n/u: No units exist in universe for this category **n/s:** No units exist in the sample for this category **n/a:** Not applicable
Please click **Methodology** or **Data Reliability Tables Appendix** links for more details

1.4 Private Apartment Vacancy Rates (%) by Rent Range and Bedroom Type Thunder Bay CMA

Rent Range	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Oct-07	Oct-08	Oct-07	Oct-08	Oct-07	Oct-08	Oct-07	Oct-08	Oct-07	Oct-08
Thunder Bay CMA										
LT $400	**	**	**	0.0 d	**	**	n/s	n/s	**	**
$400 - $499	**	11.2 d	**	5.1 c	**	**	n/s	n/s	11.2 d	6.4 c
$500 - $599	**	0.0 b	6.9 c	2.9 b	**	3.4 d	**	n/s	5.2 c	2.8 b
$600 - $699	**	**	2.8 b	1.5 a	4.5 c	2.2 b	**	**	3.7 b	1.9 a
$700 - $799	**	**	2.6 b	3.6 d	1.6 b	1.5 b	**	**	1.8 a	1.9 b
$800+	n/s	n/s	**	**	1.7 c	0.0 b	**	0.0 d	2.1 c	0.0 c
Total	**	**	5.0 b	2.4 a	2.6 a	1.6 a	3.4 d	**	3.8 b	2.2 a

The following letter codes are used to indicate the reliability of the estimates:
a – Excellent, b – Very good, c – Good, d – Fair (Use with Caution)
** Data suppressed to protect confidentiality or data is not statistically reliable
n/u: No units exist in universe for this category **n/s:** No units exist in the sample for this category **n/a:** Not applicable

Please click **Methodology** or **Data Reliability Tables Appendix** links for more details

METHODOLOGY FOR RENTAL MARKET SURVEY

Canada Mortgage and Housing Corporation (CMHC) conducts the **Rental Market Survey** (RMS) every year in April and October to estimate the relative strengths in the rental market. The survey is conducted on a sample basis in all urban areas with populations of 10,000 and more. The survey targets only privately initiated structures with at least three rental units, which have been on the market for at least three months. The survey collects market rent, available and vacant unit data from sampled structures. Most RMS data contained in this publication refer to privately initiated apartment structures.

The survey is conducted by a combination of telephone interviews and site visits, and information is obtained from the owner, manager, or building superintendent. The survey is conducted during the first two weeks of April/October, and the results reflect market conditions at that time.

CMHC's Rental Market Survey provides a snapshot of vacancy and availability rates, and average rents in both new and existing structures. In October 2006, CMHC has introduced a new measure for the change in rent that is calculated based on existing structures only. This estimate is based on structures that were common to the survey sample the previous year and the current year of the Rental Market Survey. The change in rent in existing structures is an estimate of the change in rent that the landlords charge and removes compositional effects on the rent level movement due to new buildings, conversions, and survey sample rotation. The estimate of per cent change in rent is available in the Rental Market Report – Canada Highlights , Provincial Highlights, and the local Rental Market Reports. The rent levels in new and existing structures are also published. While the per cent change in rents in existing structures published in the reports are statistically significant, changes in rents that one might calculate based on rent levels in new and existing structures may or may not be statistically significant.

METHODOLOGY FOR SECONDARY RENTAL MARKET SURVEY

Canada Mortgage and Housing Corporation (CMHC) conducts a survey of the **Secondary Rental Market** (SRMS) in September and October to estimate the relative strengths in the secondary rental market which is defined as those dwellings not covered by the regular RMS. CMHC has identified the following dwelling components to be included in SRMS:

- Rented single-detached houses.
- Rented double (semi-detached) houses (i.e.. Two units of approximate equal size and under one roof that are situated either side-by-side or front-to-back).
- Rented freehold row/town homes.
- Rented duplex apartments (i.e.. one-above-other).
- Rented accessory apartments (separate dwelling units that are located within the structure of another dwelling type).
- Rented condominiums (can be any dwelling type but are primarily apartments).
- One or two apartments which are part of a commercial or other type of structure.

The SRMS has three components which are conducted in selected CMAs:

- A Household Rent Survey of all households to collect information about rents.
- A Condominium Apartment Rent Survey of households living in condominium apartments to collect information about rents.
- A Condominium Apartment Vacancy Survey of condominium apartment owners to collect vacancy information.

All three surveys are conducted by telephone interviews. For the condominium apartment vacancy survey, information is obtained from the owner, manager, or building superintendent and can be supplemented by site visits if no telephone contact is made. For the other two surveys, information is collected from an adult living in the household. All surveys are conducted in September and October, and the results reflect market conditions at that time.

CMHC publishes the number of units rented and vacancy rates for the condominium vacancy survey. For the condominium rent and household rent surveys, the average rent is published. A letter code representing the statistical reliability (i.e., the coefficient of variation (CV)) for each estimate is provided to indicate the data reliability. In 2008, rented condominium apartments were surveyed in the following CMAs: Vancouver, Victoria, Calgary, Edmonton, Regina, Saskatoon, Toronto, Ottawa, Montréal and Québec (NOTE: condo rent data was not collected for Regina and Saskatoon). Other secondary rental market units were surveyed in Abbotsford, Barrie, Calgary, Edmonton, Halifax, Montreal, Ottawa, Quebec, St. John's, Toronto, Regina, Saskatoon, Kelowna, Vancouver and Victoria.

DEFINITIONS

Availability: A rental unit is considered available if the existing tenant has given, or has received, notice to move, and a new tenant has not signed a lease; or the unit is vacant (see definition of vacancy below).

Rent: The rent refers to the actual amount tenants pay for their unit. No adjustments are made for the inclusion or exclusion of amenities and services such as heat, hydro, parking, and hot water. For available and vacant units, the rent is the amount the owner is asking for the unit.

It should be noted that the average rents reported in this publication provide a sound indication of the amounts paid by unit size and geographical sector. Utilities such as heating, electricity and hot water may or may not be included in the rent.

Rental Apartment Structure: Any building containing three or more rental units, of which at least one unit is not ground oriented. Owner-occupied units are not included in the rental building unit count.

Rental Row (Townhouse) Structure: Any building containing three or more rental units, all of which are ground oriented with vertical divisions. Owner-occupied units are not included in the rental building unit count. These row units in some centres are commonly referred to as townhouses.

Vacancy: A unit is considered vacant if, at the time of the survey, it is physically unoccupied and available for immediate rental.

Definitions of Census Areas referred to in this publication are as follows:

A census metropolitan area (CMA) or a census agglomeration (CA) is formed by one or more adjacent municipalities centred on a large urban area (known as the urban core). The census population count of the urban core is at least 10,000 to form a census agglomeration and at least 100,000 to form a census metropolitan area. To be included in the CMA or CA, other adjacent municipalities must have a high degree of integration with the central urban area, as measured by commuting flows derived from census place of work data. CMAs and CAs contain whole municipalities or Census Subdivisions.

All data presented in this publication is based on Statistics Canada's 2001 and 2006 Census area definitions.

Acknowledgement

The Rental Market Survey and the Secondary Rental Market Survey could not have been conducted without the cooperation of the rental property owners, managers, building superintendents and household members throughout Canada. CMHC acknowledges their hard work and assistance in providing timely and accurate information. As a result of their contribution, CMHC is able to provide information that benefits the entire housing industry.

Rental Affordability Indicator

Canada Mortgage and Housing Corporation has developed a new rental affordability indicator to gauge how affordable a rental market is for those households which rent within that market. The level of income required for a household to rent a median priced two-bedroom apartment, using 30 per cent of its income, is calculated. The three-year moving average of median income of households in a centre is then divided by this required income. The resulting number is then multiplied by 100 to form the indicator. A value above 100 indicates that less than 30 per cent of the median income is required to rent a two-bedroom apartment, conversely, a value below 100 indicates that more than 30 per cent of the median income is required to rent the same unit. In general, as the indicator increases, the market becomes more affordable; as the indicator declines, the market becomes less affordable.

Median renter household income estimates used in the calculation of the rental affordability indicator are based on results of Statistics Canada's Survey of Labour and Income Dynamics. Results for this survey are available from 1994 to 2005. CMHC has developed forecasts of median renter household income for 2006, 2007 and 2008.

CMHC—HOME TO CANADIANS

Canada Mortgage and Housing Corporation (CMHC) has been Canada's national housing agency for more than 60 years.

Together with other housing stakeholders, we help ensure that the Canadian housing system remains one of the best in the world. We are committed to helping Canadians access a wide choice of quality, environmentally sustainable and affordable homes – homes that will continue to create vibrant and healthy communities and cities across the country.

For more information, visit our website at www.cmhc.ca

You can also reach us by phone at 1-800-668-2642 or by fax at 1-800-245-9274.
Outside Canada call 613-748-2003 or fax to 613-748-2016.

Canada Mortgage and Housing Corporation supports the Government of Canada policy on access to information for people with disabilities. If you wish to obtain this publication in alternative formats, call 1-800-668-2642.

The Market Analysis Centre's (MAC) electronic suite of national standardized products is available for free on CMHC's website. You can view, print, download or subscribe to future editions and get market information e-mailed automatically to you the same day it is released. It's quick and convenient! Go to www.cmhc.ca/housingmarketinformation

For more information on MAC and the wealth of housing market information available to you, visit us today at www.cmhc.ca/housingmarketinformation

To subscribe to priced, printed editions of MAC publications, call 1-800-668-2642.

©2008 Canada Mortgage and Housing Corporation. All rights reserved. CMHC grants reasonable rights of use of this publication's content solely for personal, corporate or public policy research, and educational purposes. This permission consists of the right to use the content for general reference purposes in written analyses and in the reporting of results, conclusions, and forecasts including the citation of limited amounts of supporting data extracted from this publication. Reasonable and limited rights of use are also permitted in commercial publications subject to the above criteria, and CMHC's right to request that such use be discontinued for any reason.

Any use of the publication's content must include the source of the information, including statistical data, acknowledged as follows:

Source: CMHC (or "Adapted from CMHC," if appropriate), name of product, year and date of publication issue.

Other than as outlined above, the content of the publication cannot be reproduced or transmitted to any person or, if acquired by an organization, to users outside the organization. Placing the publication, in whole or part, on a website accessible to the public or on any website accessible to persons not directly employed by the organization is not permitted. To use the content of any CMHC Market Analysis publication for any purpose other than the general reference purposes set out above or to request permission to reproduce large portions of, or entire CMHC Market Analysis publications, please contact the Canadian Housing Information Centre (CHIC) at mailto:chic@cmhc.gc.ca; 613-748-2367 or 1-800-668-2642.

For permission, please provide CHIC with the following information:
Publication's name, year and date of issue.

Without limiting the generality of the foregoing, no portion of the content may be translated from English or French into any other language without the prior written permission of Canada Mortgage and Housing Corporation.

The information, analyses and opinions contained in this publication are based on various sources believed to be reliable, but their accuracy cannot be guaranteed. The information, analyses and opinions shall not be taken as representations for which Canada Mortgage and Housing Corporation or any of its employees shall incur responsibility.

STAY ON TOP OF THE HOUSING MARKET

Enhance your decision-making with the latest information on Canadian housing trends and opportunities.

CMHC's Market Analysis Centre e-reports provide a wealth of detailed local, provincial, regional and national market information.

Forecasts and Analysis – Future-oriented information about local, regional and national housing trends.

Statistics and Data – Information on current housing market activities — starts, rents, vacancy rates and much more.

Free reports available on-line:

- Canadian Housing Statistics
- Housing Information Monthly
- Housing Market Outlook, Canada
- Housing Market Outlook, Highlight Reports - Canada and Regional
- Housing Market Outlook, Major Centres
- Housing Now, Canada
- Housing Now, Major Centres
- Housing Now, Regional
- Monthly Housing Statistics
- Northern Housing Outlook Report
- Preliminary Housing Start Data
- Renovation and Home Purchase
- Rental Market Highlight Reports
- Rental Market Reports, Major Centres
- Rental Market Statistics

Free regional reports also available:

- B.C. Seniors' Housing Market Survey
- Ontario Retirement Homes Report
- The Retirement Home Market Study, Quebec Centres
- Housing Market Tables: Selected South Central Ontario Centres
- Residential Construction Digest, Prairie Centres
- Analysis of the Resale Market, Quebec Centres

Get the market intelligence you need today!
Click www.cmhc.ca/housingmarketinformation to view, download or subscribe.

EQuilibrium™: Healthy Housing for a Healthy Environment.

Find out how CMHC's EQuilibrium™ housing initiative is helping enhance the quality of life of Canadians through healthier, more efficient and more comfortable homes.

65784_2008_A01